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# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of	AUG 3 0 1999
Numbering Resource Optimization )	CC Docket No. 99-200 OFFICE OF THE SECRETARY
Connecticut Department of Public Utility Control Petition for Rulemaking to Amend the Commission's Rule Prohibiting Technology- Specific or Service-Specific Area Code Overlays  Overlays	RM No. 9258
Massachusetts Department of Telecommunications and Energy Petition for Waiver to Implement a Technology- Specific Overlay in the 508, 617, 781, and 978 Area Codes  Output  Department of Department o	NSD File No. L-99-17
California Public Utilities Commission and the People of the State of California Petition for Waiver to Implement a Technology-Specific or Service-Specific Area Code	NSD File No. L-99-36

#### REPLY COMMENTS OF COX COMMUNICATIONS, INC.

To:

The Commission

Cox Communications, Inc., by its attorneys, hereby submits its reply comments in the above-referenced proceeding.<sup>1</sup> As shown below, based on the comments of the other parties, it is evident that the proposals in Cox's opening comments provide the clearest path to addressing the current telephone numbering resource shortage. In particular, the Commission should

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<sup>&</sup>lt;sup>1</sup> Numbering Resource Optimization, Connecticut Department of Public Utility Control Petition for Rulemaking to Amend the Commission's Rule Prohibiting Technology-Specific or Service-Specific Area Code Overlays, Massachusetts Department of Telecommunications and Energy Petition for Waiver to Implement a Technology-Specific Overlay in the 508, 617, 781, and 978 Area Codes, California Public Utilities Commission and the People of the State of California Petition for Waiver to Implement a Technology-Specific or Service-Specific Area Code, CC Docket No. 99-200, RM No. 9258, NSD File No. L-99-17, NSD File No. L-99-36, FCC 99-122, *Notice of Proposed Rulemaking* (rel. May 27, 1999).

immediately begin modification of the BRIDS System (both database and application components) and implementation of unassigned telephone number porting.

In general, the comments fall into two categories: those of the new market entrants and those of the incumbent service providers. New entrants, such as Cox, showed that the best way to optimize numbering resources is through increased usage of embedded resources, rather than piling additional resources on top of wasteful utilization mechanisms; that thousands block pooling is an expensive, and compared to the alternatives, a less desirable solution if it is to be the only solution implemented; that D digit expansion does not increase the efficiency of use of the existing and new resources; that state regulators can have an important role in numbering resource optimization; and that cost recovery should occur within the context of the competitive market and not through regulatory fiat.

The incumbent service providers disagree with these views, and, in particular, seek to prevent any attempt to make utilization of the embedded base of telephone numbers more efficient. For this reason, they claim that thousands block number pooling is the only worthwhile pooling mechanism and seek contamination levels for thousands block pooling that would allow ILECs to make only minimal contributions to number pools. Along with the ILEC demands for guaranteed recovery mechanisms for numbering-related costs, these positions should be rejected.

#### I. The Commission Should Adopt the Proposals in Cox's Initial Comments.

### A. The Commission Should Adopt BRIDS Modification or Unassigned Number Porting

Cox's initial comments showed how BRIDS modification and unassigned number porting would greatly increase the efficiency of numbering resource utilization at relatively low cost.

Nothing in any other party's initial comments affects that conclusion.

Most significantly, there is significant agreement that numbering resource optimization requires better use of existing resources, not expansion of the resource pool through mechanisms such as D-digit expansion. As noted above, this is the consensus view of new entrants, but even incumbents, including SBC and Ameritech, agree.<sup>2</sup> Moreover, as AT&T points out, any Commission action in this proceeding will impose costs on consumers and businesses.<sup>3</sup> It is, therefore, important that these costs be minimized and that the Commission also strive to prevent repetition of the numbering resource crisis. This is why numbering resource usage optimization is superior to efforts to increase the pool of numbering resources: optimizing efficiency of usage, through mechanisms like BRIDS modification and unassigned number porting, is a permanent solution, not a temporary fix.

In particular, no party made any showing to contradict Cox's conclusion that modification of the BRIDS system (both database and application modules) would provide the best near term and long term optimization of telephone numbering resources, both technically

<sup>&</sup>lt;sup>2</sup> See Ameritech Comments, Summary at unnumbered page 2 (opposing D-digit expansion); SBC Comments at v.

<sup>&</sup>lt;sup>3</sup> AT&T Comments at 3.

and economically. Indeed, MCI WorldCom acknowledged that modifications to the rating and routing systems currently in use will have a significant effect on telephone number utilization.<sup>4</sup>

MCI WorldCom also supports the implementation of unassigned number porting to "mine" the mother lode of unused telephone numbers in carriers' networks today. <sup>5</sup> As Cox and MCI WorldCom explain, unassigned number porting not only increases utilization levels, but also ensures that telephone number blocks (both the current 10,000 block NXXs **and** pooled 1,000 TN blocks) assigned to individual carriers in a rate center are not stranded when only a few of those numbers are needed to serve customers.

The opposition to unassigned number porting is not substantial. For instance, Bell Atlantic, in a single phrase, claims that unassigned number porting is not a conservation method at all and should not be implemented.<sup>6</sup> The cursory nature of this claim is its own rebuttal; moreover, it is apparent that unassigned number porting is a very efficient mechanism for limiting demand for NXX codes. In fact, unassigned number porting would provide access to the hundreds of millions of unused telephone numbers now held by incumbents, greatly reducing the demand for NXX codes and NPAs for the foreseeable future.

### B. The States Should Have a Significant Role in Numbering Resource Optimization

Cox's initial comments suggested that state regulators, acting under specific Commission guidance, can have an important role in numbering resource optimization.<sup>7</sup> This role should include, among other things, rate center consolidation.

<sup>&</sup>lt;sup>4</sup> MCI WorldCom Comments, Executive Summary at unnumbered page 2.

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> Bell Atlantic Comments at 32.

<sup>&</sup>lt;sup>7</sup> Cox Comments at 18.

Many parties agree. MCI, for instance, supports state commission oversight of numbering resource optimization and the notion that the reporting mechanisms should be uniform, at a significant level of detail and enforced at the national level. Similarly, Bell Atlantic recommends leaving the process of rate center consolidation to the states.

U S West, however, would have the Commission believe that the states have failed in their management and implementation of area code relief mechanisms. <sup>10</sup> Given the limited opportunity the states have had to exercise broad authority over numbering, there is no basis for this claim. There was virtually no state commission regulatory oversight until very recently and, even now, numbering administration is essentially still in a transition state. This environment is hardly one in which the potential performance of state regulators can be measured. In addition, when state regulators have attempted to provide assistance through the creation of industry task forces, incumbent carriers often have resisted those efforts, typically by insisting that all solutions should originate at the national level. <sup>11</sup> Thus, there is no reason to believe state regulators cannot fulfill their responsibilities if given appropriate guidance.

### II. Other Approaches to Numbering Resource Optimization Are Not as Desirable as BRIDS Modification and Unassigned Number Porting

#### A. Thousands Block Pooling.

Although thousands block pooling will not be as effective as BRIDS modification or unassigned number porting, it will increase efficiency of resource utilization, and can be

 $<sup>^{8}</sup>$  MCI WorldCom Comments, Executive Summary at unnumbered page 3.

<sup>&</sup>lt;sup>9</sup> Bell Atlantic Comments at 2.

<sup>&</sup>lt;sup>10</sup> U S West Comments at 3-4.

<sup>&</sup>lt;sup>11</sup> The California PUC's formation of the Numbering Resource Task Force is one example of such efforts.

implemented relatively soon. <sup>12</sup> Thousands block pooling will not, however, be effective if incumbents can exclude their numbering resources from the pools.

For instance, Ameritech would like to "lock in" its own warehouse of unused numbers in existing NPAs by setting the contamination level, above which blocks would not have to be included in the pool, at ten percent. This would expose new market entrants to pooling but effectively would exclude incumbent LECs. In practice, even a contamination level of 25 percent would mean that far more new entrant numbering resources would be subject to pooling than incumbent resources.

Similarly, Cox does not agree with SBC's approach to the determination of which carriers in any area should be required to participate in thousands block pooling. SBC's formula would expose its competitors to a greater extent than SBC, and would impose additional costs, complexity and competitive disadvantages on new entrants.

SBC, along with other incumbents, also attempts to take Individual Telephone Number (ITN) pooling off the table by noting that the Commission has tentatively decided not to require ITN<sup>15</sup>. In fact, no decision has been made and, in the absence of the BRIDS solution it would be a mistake, to implement any number pooling plan that does not accommodate ITN. A failure to accommodate ITN will mean that the Commission and the industry will have to face numbering resource issues again in the relatively near future, a result that must be avoided.

<sup>&</sup>lt;sup>12</sup> Bell Atlantic and Cox agree that number pooling at the thousands block level can be implemented within two years. Bell Atlantic Comments at 2. Cox believes that implementation could in fact occur within ten to nineteen months, depending on how the pools would be administered.

<sup>&</sup>lt;sup>13</sup> Ameritech Comments, Summary at unnumbered page 2.

<sup>&</sup>lt;sup>14</sup> SBC Comments at viii.

<sup>15</sup> *Id.* at x.

#### B. Ten Digit Dialing

U S West recommends that the Commission require the national implementation of ten digit dialing over a two year period. However, U S West fails to note that ten digit dialing does not create new numbers or increase the efficiency of use of the embedded and available numbers. The suggestion that a national ten digit dialing requirement would allow the implementation of NPA overlay codes is self serving and simply does not address the issues in this proceeding.

Ameritech takes the opposite tack and recommends that NPA overlays be allowed without ten digit dialing.<sup>17</sup> This recommendation not only is counter to current Commission policy, but would eliminate one of the few safeguards against the anti-competitive effects of NPA overlays.<sup>18</sup>

#### C. Other Issues

#### 1. Forecasting

Ameritech believes that forecasting and utilization data should be done on an NPA NXX level and only aggregate level detail should be provided. <sup>19</sup> This level of reporting, particularly if thousands block pooling is adopted, will not provide the detail required to avoid double counting between the forecasts of multiple carriers and may not provide insight as to actual utilization levels. As Cox showed in its comments, more detailed information is necessary.

<sup>&</sup>lt;sup>16</sup> U S West Comments at 16.

<sup>&</sup>lt;sup>17</sup> Ameritech Comments, Summary at unnumbered page 2.

<sup>&</sup>lt;sup>18</sup> The second safeguard, providing one NXX code out of the historically valuable NPA to each competing CLEC when an overlay is implemented, is only slightly helpful. As Cox noted in its opening comments, an NXX code can be used to serve only one of the multitude of rate centers within the overlay NPA. Typically, a rate center is an area so small that potential customers cannot be targeted with any mass media approaches.

<sup>&</sup>lt;sup>19</sup> Ameritech Comments, Summary at unnumbered pages 1-2.

#### 2. Cost Recovery

The costs associated with numbering optimization are, in practice, costs of doing business and should not be given special treatment. Some incumbents, however, seek guaranteed cost recovery. U S West, in particular, takes this view.<sup>20</sup> U S West, as the incumbent local exchange carrier, has failed to learn that telephone numbers are "goods on the shelf" for sale and in a competitive market there are costs associated with putting those goods on that shelf. The notion that cost recovery must be guaranteed by the regulators, as it would have been in a monopoly environment, is anachronistic.

#### III. Conclusion

The opening comments of the incumbent carriers, although following predictable patterns, do provide some guidance to the Commission. First, the Commission should focus on number resource utilization, not on increasing the volume of available numbers in an environment of inefficient use. Second, incumbents should not be permitted to protect their warehouse of embedded telephone numbers. Third, the states have an important role in the management of numbering resources, under nationally devised and uniform mechanisms. Fourth, thousands block pooling will be a costly and perhaps ineffective approach to increasing the efficiency with which telephone numbers are used.

In this content, it is apparent that BRIDS modification and unassigned number porting are superior solutions that will maximize efficiency of numbering resource utilization. Either approach will provide an in depth, fundamental and permanent solution, which is critical to

<sup>&</sup>lt;sup>20</sup> U S West Comments at 25.

minimize the long term costs of numbering to carriers and society as a whole. That is the Commission's most important task in this proceeding.

For all these reasons, Cox Communications, Inc., respectfully requests that the Commission adopt rules in accordance with these comments and Cox's initial comments in this proceeding.

Respectfully submitted,

COX COMMUNICATIONS, INC.

Werner K. Hartenberger J.G. Harrington

Its Attorneys

Dow, Lohnes & Albertson, PLLC 1200 New Hampshire Avenue, N.W. Suite 800 Washington, D.C. 20036

(202) 776-2000

August 30, 1999

#### CERTIFICATE OF SERVICE

I, Vicki Lynne Lyttle, hereby certify that I sent a true and correct copy of the foregoing Reply Comments of Cox Communications, Inc. on this 30<sup>th</sup> day of August 1999, via U.S. mail postage-prepaid or hand delivery to the following:

Magalie Roman Salas, Esquire Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Commissioner Susan Ness Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Commissioner Michael K. Powell Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Yog Varma Deputy Chief Common Carrier Bureau Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

International Transcription Service, Inc.\* 1231 20<sup>th</sup> Street, N.W. Washington, DC 20037

Jared Carlson
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Chairman William E. Kennard Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Commissioner Harold Furchtgott-Roth Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Commissioner Gloria Tristani Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Anna Gomez Chief, Network Services Division Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Jeannie Grimes Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Tejal Mehta Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Vicke Lynne Lyttle Vicki Lynne Lyttle

<sup>\*</sup> Denotes delivery via first-class U.S. mail, postage prepaid.